

**TRANSCRIPT OF PRESS AVAILABILITY  
OF UNITED STATES TRADE REPRESENTATIVE  
ROBERT B. ZOELLICK  
WITH FOREIGN MINISTER OF ECUADOR HEINZ MOELLER  
THURSDAY, OCTOBER 31, 2002  
QUITO, ECUADOR**

Thank you very much, Minister. First, let me say that it is a real pleasure to be in your beautiful country.

It's my first visit to Ecuador but I look forward to coming back many times. As my friend Heinz said, our purpose in coming is to be here for the Ministerial meeting of the thirty-four democracies that are working to try to create the FTAA. And we are very delighted with the opportunity to work with the Ecuadorian Chair on this issue. Over the past year, Heinz and his team have done an excellent job and I'm looking forward to the meeting tomorrow.

But today we do have some important news for Ecuador individually and the Andean region. As many of you know, in 1991, during the Administration of President Bush's father, the (U.S.) Congress passed a law called the Andean Trade Preferences Act, which reduced tariffs to zero on some 5,600 products. These special zero tariffs were for four countries, Ecuador, Peru, Bolivia and Colombia. That law ran for ten years, so it expired at the end of last year.

With the help of Heinz and his Ministerial colleagues throughout the Andean region, we were able to finally renew it and expand it in a piece of trade legislation that passed the U.S. Congress in August. And, as he mentioned, the expansion added some 700 new products, including some liberalization in areas important to Ecuador dealing with tuna, apparel and other products.

But when Congress passed this law, it put in some conditions and we had to work with each of the four countries to make sure those conditions were met. And here is where I want to give a particular personal thanks to Minister Moeller. Because, obviously, Ecuador is in the middle of an election season. Sometimes it's difficult to take on these issues, and without his work I don't believe this would have been accomplished. But at the beginning of this week we worked through all the issues. We talked on the phone as we've done frequently in the past, and I informed the Minister that I would be sending the memorandum to President Bush, advising that he sign the proclamation to add all these additional zero tariff benefits for all four countries.

As most of you know, President Bush has also been doing a lot of traveling recently because we're in the last week before our mid-term election. President Bush puts a great value on our relationship with the Andean countries and all of Latin America and I believe this proclamation will be signed in a matter of days.

But the key point, as Heinz has often discussed with me, is not just a question of lowering tariffs or expanding trade, but of opening doors of opportunity for people in Ecuador to get jobs, to increase their wages, to have additional hope and opportunity in how they can use the trade system to better their lives. That is also what we are doing here with the effort to move ahead the FTAA negotiations under the Minister's Chairmanship.

So, again, I want to close by thanking him, not just as a colleague, but as a friend.

Q: Can you be sure that President Bush will sign?

As a Minister, you always learn that you don't pre-judge the action of your President but I am confident that this will be signed in the next three days. Let me explain why. President Bush has invested a lot of his time and effort to get Congress to pass this law. As I said, his father was the one who passed the first law that this is expanding on. And President Bush's focus has been on expanding trade opportunities so as to create more opportunities for jobs and growth and higher wages in Ecuador and the other three countries.

The issues we had to work out with Ecuador were like the issues we had to work out with the other three countries. And I urge you to keep in mind the big picture. It helps for foreign investors to come to Ecuador because they bring jobs and opportunity. Now and then there are disputes. That is not unusual. There are disputes in the United States all the time. We just needed to create the procedures to give a chance to resolve those disputes. So, with Minister Moeller's help, that is exactly what we did.

What we needed to work out was a fair procedure that doesn't prejudge the result. So we're going forward with the ATPA as the procedure goes forward. But the big picture is to create trade and jobs and opportunity for Ecuador. We know the challenges of reform are difficult here and elsewhere in Latin America. And we want to try to help.

**STATEMENT BY FOREIGN MINISTER HEINZ MOELLER  
AT HIS PRESS AVAILABILITY WITH ROBERT B. ZOELICK,  
UNITED STATES TRADE REPRESENTATIVE  
THURSDAY, OCTOBER 31, 2002  
QUITO, ECUADOR**

Good morning. I thank you all for being here. I have the satisfaction and honor to present to the Ecuadorian and international press Ambassador Robert Zoellick, the U.S. Trade Representative, who is the highest U.S. official with respect to international commerce.

The first comment that I would like to make is that I have excellent news for Ecuador and the Andean Region. As a result of mutual negotiations, many of them both important and difficult, on Tuesday of this week Ecuador sent forward its compliance letter to the U.S. Government, in which some issues were clarified and others had mechanisms established to resolve all pending disputes between North American firms, as well as other types of concerns, such as labor and other questions.

Under the established U.S. procedures, upon receipt of this communication, on Tuesday afternoon Ambassador Zoellick forwarded the required notification to President Bush at the White House, requesting that the President issue the proclamation of beneficiary countries for all four Andean Nations under the extended and expanded ATPA, which now includes textiles and clothing, pouched tuna, leather and related products.

The difficulty which had initially excluded Ecuador last month has been overcome by means of adherence to relevant international agreements, in particular the Mutual Trade and Investment Treaty between the U.S. and Ecuador.

I want to express to the Government of the United States and to the Ecuadorian public the immense satisfaction that I feel at having realized this agreement, which means that Ecuador and her exporters will have access to a massive market valued at over \$500 million dollars over the coming years. The market access will generate more than 100,000 jobs for Ecuadorians in the next 2-3 years alone. It will also open the doors to foreign investment, which is vital for the development of our petroleum, agricultural, fishing and tourist resources. It also places Ecuador at the forefront of an attitude in the modern world, the attitude of seeking open markets that must, obviously, be two-way.

Free trade from north to south, but equally from south to north. That is the objective of this FTAA meeting, to continue to discuss differences and points of view with a clear commitment to accomplish in our economies that which is required in a globalized world. Openness, competitiveness and efficiency. So Ecuador has qualified and during the entire duration of the ATPA she will profit from these benefits. That is what we wished to announce to you and, as you are aware, tomorrow the Ministerial meeting will open. Within the Vice-Ministerial meetings we have made significant advancements and I am certain that Robert Zoellick wishes to express himself regarding the issues we have discussed.

